

REMARKS/ARGUMENTS

I. Objections to the Disclosure/Specification

In the first section of the Office Action, the disclosure is objected to under M.P.E.P. §608.01 as containing embedded hyperlinks and/or other forms of browser-executable code.

Applicants have thoroughly searched the disclosure and assure the Examiner that there are no hyperlinks or other forms of executable code present, since the references to Web sites that are currently in the disclosure do not include a URL placed between the “<>” symbols and are not written in the form of an http:// followed by a URL address. As such, Applicants respectfully submit that the Web site references in the disclosure are in proper form, and request withdrawal of the objections under M.P.E.P. §608.01.

II. Claim Rejections Under 35 U.S.C. §103

A. Independent Claims 1 and 4

Of the five claims that are pending, claims 1 and 4 are independent. Independent claims 1 and 4 were both rejected as being obvious over Linehan in view of Schenkler. Applicants respectfully disagree, and request reconsideration of this rejection.

Linehan is directed to a system in which the consumer's computer generates a message including consumer identity and authentication information, the merchant's digital signature, and the digital certificate of the acquiring bank, and sends this message to the issuer gateway. The issuer gateway (i) verifies the merchant's digital signature, (ii) validates both the merchant's certificate and the acquirer's certificate, (iii) verifies that the consumer's account is active and sufficiently funded, (iv) pre-authorizes the payment using an authorization token, and (v) either sends the authorization token directly to the merchant, or sends it to the consumer who then forwards it to the merchant. The merchant then authenticates the issuer gateway's authorization token, and if it is authenticated the authorization process is complete. The merchant then can complete the sales transaction with the consumer. *See* Linehan, col. 4, lines 10 – 47.

In Linehan it is solely the issuer's computer that receives the authentication request generated by the consumer's computer, and it is thus the issuer that authenticates the consumer and the merchant, and that authorizes the payment. *Id.* See also Linehan, col. 4, lines 58 – 64 (“If the transaction is later disputed, the merchant can prove that the issuer authorized the payment by producing a copy of the authorization token. The combination of the issuer's signature on the authorization token, the issuer's digital certificate, and the contents of the authorization token provide undeniable proof that the issuer authorized the payment.”)

By contrast, among its other limitations, independent claim 1 requires that the payment gateway return to the merchant's computer an automatic authorization approval without first obtaining authorization from the issuer.

This limitation of claim 1 is neither disclosed nor suggested by Linehan. As was previously explained, in Linehan's system the authorization token that is returned to the merchant's computer must first be approved by the issuer computer, and is sent to the merchant's computer by the issuer computer – not to the payment gateway as is required by claim 1.

Furthermore, Linehan neither discloses nor suggests sending to the merchant an automatic authorization approval. Far from being automatic, the authorization token in Linehan is generated only after the issuer gateway has first (i) verified the merchant's signature, (ii) verified the acquirer's certificate, and (iii) verified that the consumer's account is active and contains sufficient funds.

Thus, Linehan is deficient as a reference since it fails to disclose or suggest an automatic authorization approval that is sent to the merchant's computer without first obtaining authorization from the issuer, as is required by independent claim 1.

Linehan is also deficient with respect to independent claim 4. Claim 4 requires, among other limitations, returning to the merchant's computer a message with an automatic authorization approval without first obtaining authorization through the payment system. The payment system of claim 4 includes an acquirer computer associated with the merchant and an issuer computer associated with the issuer. Thus, for the same reasons set forth above in connection with claim 1, Linehan fails to disclose or suggest an automatic authorization approval

message that is returned to the merchant's computer without first obtaining authorization through the payment system as is required by independent claim 4. Rather, in Linehan the authorization approval, which is not automatic, is first performed by the payment system (i.e., the issuer computer).

Schenkler does not cure the deficiencies of Linehan with respect to independent claims 1 and 4. In no portion of Schenkler is it either disclosed or suggested that the payment gateway sends an automatic authorization approval to the merchant's computer without first obtaining authorization from (i) the issuer computer, as required by claim 1 or (ii) the payment system (which includes the issuer and the acquirer computer) as required by claim 4.

In Schenkler, the authorization approval is generated by the clearing office, and sent by the clearing office to the vendor's (i.e., merchant's) computer. According to Schenkler, the clearing office is, for example, a bank. *See* Schenkler, col. 9, lines 17 – 25. Thus, Schenkler suggests that the clearing office is either the issuer bank or the acquirer bank, or more generally part of a payment system that includes the issuer or the acquirer. As such, Schenkler neither discloses nor suggests that the authorization approval is sent to the merchant computer without first obtaining authorization from the issuer as required by claim 1, or the payment system as required by claim 4.

Moreover, Schenkler neither discloses nor suggests an automatic authorization approval. The authorization approval is not automatic in Schenkler, but happens only after the clearing office has (i) verified the user's (i.e., consumer's) identification code and password, and (ii) compared the balance of the user's "wallet" with the cost data to ensure that the user has sufficient funds to complete the transaction. Thus, Schenkler does not cure the deficiencies of Linehan with respect to claims 1 and 4, because it fails to disclose or suggest an automatic authorization approval that is sent to the merchant's computer as is required by claims 1 and 4.

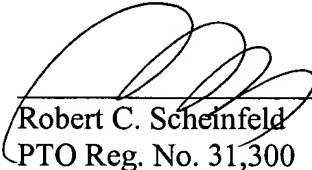
B. Dependent Claims 2, 3 and 5

The combination of Linehan and Schenkler also fails to render obvious dependent claims 2, 3 and 5. Each of these dependent claims includes all of the limitations of their respective base claims, which are independent claims 1 and 4. Thus, the combination of Linehan and Schenkler is deficient with respect to dependent claims 2, 3, and 5 for the same reasons that this combination is deficient with respect to independent claims 1 and 4.

III. Conclusion

Applicants therefore respectfully request that the rejection of claims 1 through 5 as being obvious over Linehan and Schenkler be withdrawn, and submit that all the presently pending claims are in condition for immediate allowance. In the event that the present application is not deemed to be in condition for allowance, the Examiner is invited to contact the undersigned in an effort to advance the prosecution of this application.

Respectfully submitted,



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